REMARKS

Applicants reply to the Final Office Action dated June 13, 2007, within three months. Applicants request that the Examiner consider these remarks prior to examining the above-referenced patent application after RCE. Claims 1-14 and 26-36 were pending in the application and the Examiner rejects claims 1-14 and 26-36. Applicants cancel claim 34 without prejudice in favor of filing one or more claims disclosing the same subject matter. Applicants add new independent method claim 37. Support for the new claim and amendments may be found in the originally-filed specification, claims, and figures. No new matter has been introduced by the new claim and amendments. Reconsideration of this application is respectfully requested.

Applicants thank the Examiner for the Interview with Applicants' counsel on September 11, 2007. As per the Examiners suggestions, Applicants significantly amend the independent claims to more specifically recite the limitations of the invention. Applicants respectfully request that the Examiner review the added limitations and new method claim 37 in light of the cited reference and the previously filed arguments.

Specification Objections

The Examiner objects to the disclosure, "because it contains embedded references to unavailable, external, third-party materials, which materials are neither currently available, nor part of the instant prosecution record" (page 3, item 6). Applicants traverse the Examiner's objection; however, to expedite prosecution, Applicants remove the references to the third-party materials.

Claim Objections

The Examiner objects to claims 1-14 due to an informality. Specifically, the Examiner notes that "it appears that 'said tax information system, and a tax information system comprising'...was intended to be --a tax information system, said tax information system comprising" (page 3, item 7). Applicants amend claim 14 accordingly and submit that claims 2-14 depend from claim 1, thus are cured by the amendment to claim 1.

Claims Rejected under 35 U.S.C. § 112, First Paragraph

The Examiner rejects claim 33 under 35 U.S.C. § 112, first paragraph, as containing subject matter which was not described in the specification in such a way as to enable one skilled in the art to which it pertains, or with which it is most closely connected, to make and/or use the

invention. Specifically, the Examiner asserts that the "specification fails to disclose, in an adequately enabling manner, how the 'VoIP' embodiment would function" (page 4, item 9). Applicants inadvertently added the language in the previous reply that was previously removed by amendment. Applicants have amended claim 33 to remove the rejected element from claim 33.

Claims Rejected under 35 U.S.C. § 102

The Examiner rejects claim 1-14 and 26-36 under 35 U.S.C. § 102(e) as being anticipated by Sullivan, U.S. Patent Number 6,424,979 ("Sullivan"). Applicants respectfully traverse this rejection.

Sullivan generally discloses a remote tax calculator that receives purchase information from a retailer, computes a tax amount, and provides a tax amount in return. Specifically, the Sullivan system allows sellers or purchasers to calculate, record, and report tax liabilities. The system remotely calculates tax amounts based on applicable international, federal, state, and local tax rates. The Sullivan system also takes into consideration product and/or service exemptions, entity exemptions, and rounding.

According to Sullivan, sellers and purchasers, through their billing systems, cash registers, and web sites, transmit transaction details to the remote tax compliance system. The tax liability is calculated and transmitted back to the input source for application to the purchase price. Sullivan's tax compliance system also records the tax liability for future use in computing a tax return, defending an audit, or for tax planning.

When the Sullivan system receives transaction information from the seller, it determines the proper taxing authorities and retrieves the corresponding calculations from storage. The system then performs the calculations and returns the summed tax amount to the seller to consummate the transaction. Sullivan discloses a number of components used in the calculation of taxes such as, for example, a tax transaction calculator, an address manager, a tax rate manager, an exemption manager, and a tax information manager, all of which are components of a remote host. All of these modules are centrally located in a remote system, meaning that all requests are transmitted to, and processed by, the centralized taxation system of Sullivan.

The presently claimed invention identifies the proper taxation authorities within a tax authority directory based on very limited transaction information and returns the list of tax authorities directly to the local seller device. The seller may then select the proper taxation
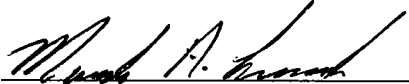
authorities to which the transaction information will be sent and conduct all calculations locally. In contrast, the Sullivan system transmits a significant amount of transactional, as well as personal, data to a tax calculation system. Sullivan then determines which taxes should be applied based on the transactional data, retrieves appropriate tax rates from an internal lookup table, calculates a tax amount, stores the transactional, personal, and taxation date in an internal database, and sends the calculated tax amount to the seller. Note that the host of Sullivan returns the calculated tax amount to the merchant (again, without ever disclosing the list of applicable tax authorities to the merchant and without allowing the merchant to interact directly with the tax authorities). As such, Sullivan does not disclose or suggest the unique combination of the numerous elements added to claims 1, 26, and 30. Applicants further assert that Sullivan does not disclose the unique combination of the numerous elements of new claim 37.

Claims 2-14, 27-29, 31-33, and 35-36 variously depend from independent claims 1, 26, 30, and 34. As such, dependent claims 2-14, 27-29, 31-33, and 35-36 are differentiated from the cited reference for at least the reasons set forth above, as well as in view of their own respective features.

In view of the above remarks and amendments, Applicants respectfully submit that all pending claims properly set forth that which Applicants regard as their invention and are allowable over the cited references. Accordingly, Applicants respectfully request allowance of the pending claims. The Examiner is invited to telephone the undersigned at the Examiner's convenience, if that would help further prosecution of the subject Application. Applicants authorize and respectfully request that any fees due be charged to Deposit Account No. 19-2814.

Respectfully submitted,

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